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companies, so they can become a source of supply. The objectives of this technique are one or more of the following:

- (a) Reduce delivery time.
- (b) Achieve geographic dispersion of suppliers.
- (c) Maximize the use of scarce tooling or special equipment.
- (d) Achieve economies in production.
- (e) Ensure uniformity and reliability in equipment, compatibility or standardization of components, and interchangeability of parts.
- (f) Eliminate problems in the use of proprietary data that cannot be resolved by more satisfactory solutions.
- (g) Facilitate the transition from development to production and to subsequent competitive acquisition of end items or major components.

17.402 Limitations.

- (a) Leader company contracting is to be used only when—
- (1) The leader company has the necessary production know-how and is able to furnish required assistance to the follower(s);
- (2) No other source can meet the Government's requirements without the assistance of a leader company;
- (3) The assistance required of the leader company is limited to that which is essential to enable the follower(s) to produce the items; and
- (4) Its use is authorized in accordance with agency procedures.
- (b) When leader company contracting is used, the Government shall reserve the right to approve subcontracts between the leader company and the follower(s).

17.403 Procedures.

- (a) The contracting officer may award a prime contract to a—
- (1) Leader company, obligating it to subcontract a designated portion of the required end items to a specified follower company and to assist it to produce the required end items;
- (2) Leader company, for the required assistance to a follower company, and a prime contract to the follower for production of the items; or
- (3) Follower company, obligating it to subcontract with a designated leader company for the required assistance.

(b) The contracting officer shall ensure that any contract awarded under this arrangement contains a firm agreement regarding disclosure, if any, of contractor trade secrets, technical designs or concepts, and specific data, or software, of a proprietary nature.

Subpart 17.5—Interagency Acquisitions

Source: 75 FR 77735, Dec. 13, 2010, unless otherwise noted.

17.500 Scope of subpart.

- (a) This subpart prescribes policies and procedures applicable to all interagency acquisitions under any authority, except as provided for in paragraph (b) of this section.
- (b) This subpart does not apply to orders of \$500,000 or less issued against Federal Supply Schedules.

17.501 General.

- (a) Interagency acquisitions are commonly conducted through indefinite-delivery contracts, such as task- and delivery-order contracts. The indefinite-delivery contracts used most frequently to support interagency acquisitions are Federal Supply Schedules (FSS), Governmentwide acquisition contracts (GWACs), and multi-agency contracts (MACs).
- (b) An agency shall not use an interagency acquisition to circumvent conditions and limitations imposed on the use of funds.
- (c) An interagency acquisition is not exempt from the requirements of subpart 7.3, Contractor Versus Government Performance.
- (d) An agency shall not use an interagency acquisition to make acquisitions conflicting with any other agency's authority or responsibility (for example, that of the Administrator of General Services under title 40, United States Code, "Public Buildings, Property and Works" and title III of the Federal Property and Administrative Services Act of 1949.)

17.502 Procedures.

17.502-1 General.

(a) Determination of best procurement approach—(1) Assisted acquisitions. Prior